

Commercial & Industrial

Wholesale market update

April 2023



EnergyAustralia
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Introduction

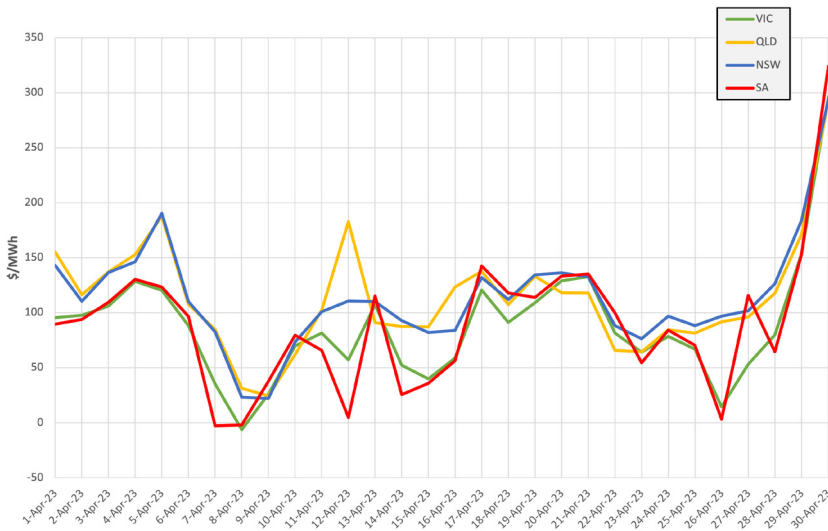
Welcome to the latest edition of your EnergyAustralia Commercial & Industrial wholesale market update.

Our aim in this report, and in every market update we share with you, is to help keep you up to date with the latest energy wholesale market trends, amongst other topical and timely organisation or sector initiatives and insights.

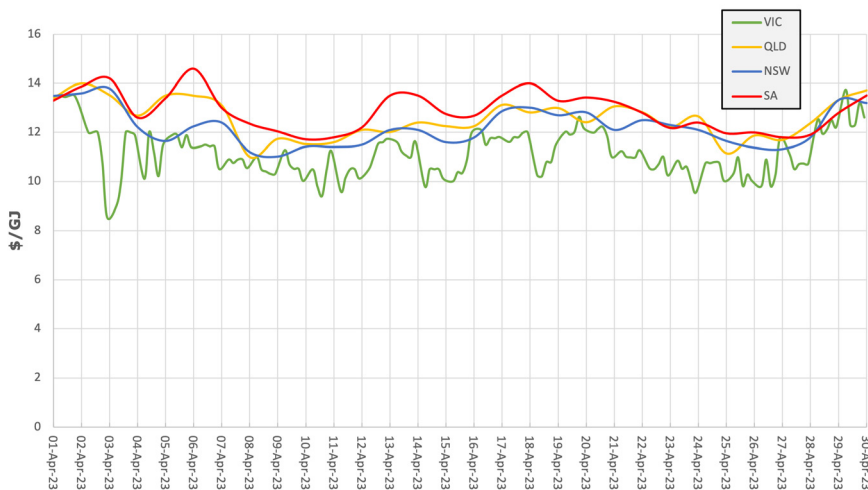
The strength of regular communications like this must first and foremost always be about adding value to your business. That's why we'd welcome the chance to hear from you with feedback, opinions or questions about anything featured here. To join the conversation, please don't hesitate to speak with your Account Manager or [here](#).

Physical market summary

April average electricity spot prices



April average gas spot prices



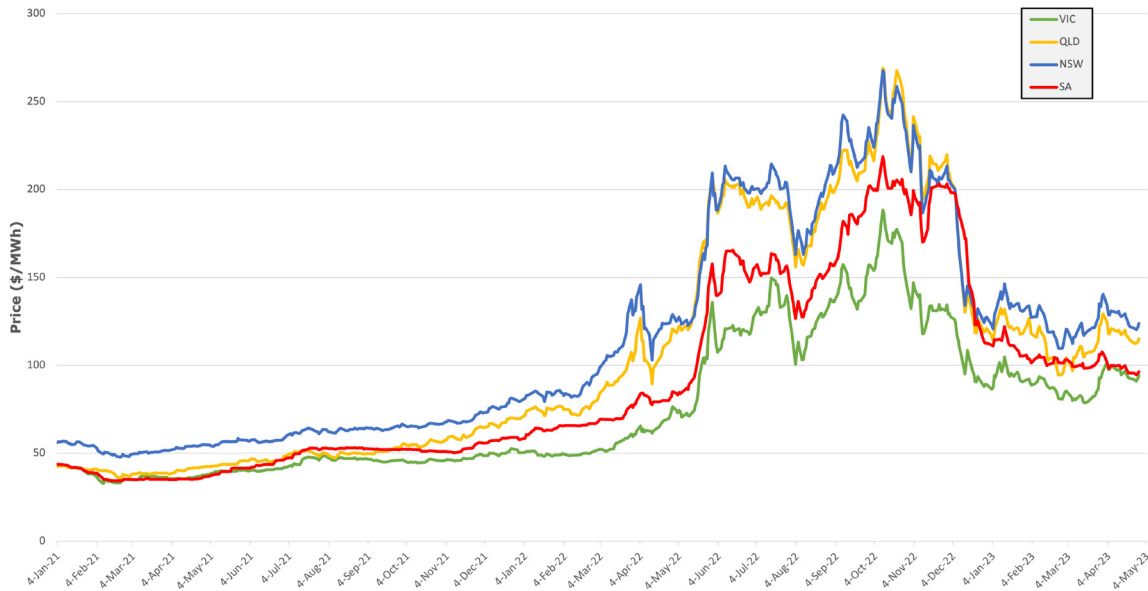
- Strong wholesale electricity spot market price outcomes in April with NSW / Qld averaging ~ \$108 / MWh while the southern states Vic / SA experienced ~ \$80 / MWh
- Competing drivers were responsible for these pricing outcomes with moderate demand demonstrated by NSW not exceeding 9.3 GW and the state recording a new operational minimum on 9 April of 4.1 GW. However, supply was impacted by a number of plant outages
- A combination of low wind and plant outages resulted in the last three days of the month averaging \$170 / MWh in NSW
- A data glitch in the Australian Energy Market Operator (AEMO) systems resulted in Victorian market suspension for about 24 hours on the weekend of 22-23 April
- Renewable impact continues to become more pronounced highlighted by the new minimum demand record in NSW with average daily maximum rooftop solar increasing by 1.5 GW and large scale solar increasing by 35% compared to 12 months prior
- Wholesale gas spot price was mostly in the \$10 - \$14 / GJ range across all markets
- IONA Gas Storage level is above the corresponding level of last year and at above 24 GJ exceeding the nameplate

rating

- 28 April was a historic day in the National Electricity Market with the final Liddell Power Station unit shutting after almost 52 years of operation and being an important cog in the nation's energy supply

Futures electricity market summary

2023 CAL FWD SWAP



- Forward electricity prices rallied at the start of April in response to strong spot outcomes, reminding the market that strong winter demands coupled with coal outages can produce high prices
- This market change was also impacted by the voluntary administration of part-owners of Callide C, which drove counterparties to close out (enter into a contract that is opposite to your existing contract) Qld and NSW positions in fear their contracts will not be honoured
- The market started to ease off towards the end of April, likely due to the previous rally reaching such a high
- Caps have been strengthening as the market seems unsure whether there will be enough capacity available in light of the Liddell Power Station closure
- Vic continues to remain as the cheapest region, with FY24 swap sitting at \$107 / MWh. NSW is the highest region at \$155 / MWh

It was great to see many of our Commercial and Industrial customers at the recent Energy Users Association of Australia (EUAA) conference where there were many discussions about the current and future state of the energy market and balancing the needs of our customers.

Contact us

We hope you found this update of use and once again, I encourage you to reach out to your Account Manager if you'd like a deeper dive into any of the topics covered here. Or if you prefer you can get in touch with us [here](#).

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